

PRESS CONFERENCE WITH MAJORITY LEADER,

STENY H. HOYER

Wednesday, September 15, 2010

11:05 a.m.

Mr. Hoyer. We had some good victories in Maryland. Thank you very much for being here. Welcome back.

That microphone went out in the 1940s.

Q And it is back.

Mr. Hoyer. And it is back on screen. There you go. Designed in America. But was it made in America?

Q It is made in China.

Mr. Hoyer. All right. Well, everybody is in a good mood. Glad to hear that. We are now going to address some of the issues that we have. Now that the primaries are over, obviously the elections will be engaged, and the American people will have a decision to make, and they will, I think, make a decision between two fairly clear messages, and I think that they will make a determination as to whether or not we are going to go forward, continue to grow the economy, or whether we are going to go back to the failed policies of the Bush administration. That is a happening phrase because we all use it. But the fact is that the American public have two models to make a judgment on, and that is the model that every Republican opposed in the 1990s where we grew the economy, created more jobs than any other administration, brought the deficit down, had 4 years of balanced budgets and, as I say, created almost 21 million jobs in the private sector.

Republicans want to go back. That is not me saying that; that is Mr. Sessions, the chairman of their campaign committee, saying that they want to return to the "exact same agenda," on national television,

Meet the Press.

We have been fighting to make sure that the working Americans, middle-class Americans have the quality of life and the opportunities that they need which was put at great risk by the failed economic policies of the previous administration which brought the economy to its lowest point in the lifetimes of anybody in this room, in three quarters of a century, which we are trying to get back to a place where we had enough jobs for everybody who wanted jobs, reducing the deficit, and preserving Social Security.

The Republicans are going to be announcing an agenda pretty soon, but we know the outlines of that agenda. They have written a book about it, they have put a budget on the table; Mr. Ryan's put a budget on the table that outlines their vision. It anticipates the privatization of Social Security. It will explode the deficit.

As a matter of fact, Mr. McConnell introduced a bill, which, according to CBO, although it is not scored now, will be somewhere in the neighborhood of an additional \$3.9 trillion to the deficit over the next decade. Americans are rightfully concerned about deficits. The bill that Mr. McConnell has introduced will cost more than all of the legislation that either the Bush administration asked for to meet the economic crisis or anything that together we have done over the last 18 months or 19, 20 months of this Congress.

The Republicans, in addition, have opposed our efforts to make sure that we encourage keeping jobs in America. They oppose the tax closing the tax loophole on outsourcing jobs. We think that was a

mistake. They have campaigned on putting the insurance companies back in charge of people's health care. We think that is not a good way to go. And they want to repeal the constraints and the rules that we put in place for Wall Street so the large financial institutions don't put us back into the deep hole that Americans were called upon to try to stabilize, and did, in fact, stabilize, but at significant cost to them. Hopefully, over the long term, we will make sure that only the financial institutions will pay that bill, not the American public.

But, so privatizing Social Security, exploding the deficit. Again, the McConnell proposal is about \$4 trillion of additional debt over the next decade, unpaid for, additional debt.

American jobs. We want to promote an agenda which it says: Make it in America. Two meanings; of course, you have heard me say this. Americans are obviously, correctly, very concerned about the economy that confronts them and about whether they and their children will be able to make it America. And they also are convinced that, unless we make things in America, that we are not going to be competitive worldwide and we are not going to have the kinds of jobs that pay good wages and provide good benefits for workers. And they want to appeal, as I have said, the constraints on insurance companies so that Americans will not be precluded from getting health insurance because of a preexisting condition where, if they can't find a job and you are 24, 25, you can still stay on your parents' insurance plan, and where seniors are going to have some help in paying their prescription drug bill.

We know that prescription drugs are not discretionary expenditures, and in some cases, staying alive is dependent upon being able to have your prescription drugs and being able to afford them. And we know that the last administration's premise was, if you take the referees off the field, things will work better. Just get the referee out of the way.

Now, the referee ought not to be in the way, but the referee ought to enforce making sure the rules work. They took the referees off the field. And, as you heard me say before, the average American got trampled on by huge financial institutions and were left holding the bag. We are not going to let that happen. That is why we passed the Financial Reform bill, which was opposed by most Republicans.

The Make It In America agenda, we just had a bill pass on the floor by voice vote which prohibits the Department of Homeland Security from purchasing goods that are not made in America. Obviously, if the goods aren't here, they will have that alternative; but if they are made here, they need to buy them here and spending taxpayer money. And we will also have a bill that applies that same theory to the Congress of the United States.

Tomorrow we will have Rural Store Act. I think most of you are familiar with the Rural Store Act which provides low income loans to help people make their homes, farms, and businesses more energy efficient. Again, we believe this is a Make It In America initiative and energy efficiency savings so that we can make our homes more efficient and purchase American products and products that go to

businesses that will accomplish both the effort of growing jobs in the economy and making homes more efficient. That will help our people install energy efficient equipment as well as people who sell it.

We believe that manufacturing in America is going to be part of the key, long term, to the resurgence of the American economy and the broadening of jobs in our country.

Okay. I took my turn. You take yours. All the way down.

Q Yesterday, Senator Durbin said that he felt that Senator McConnell deserved to have a floor vote in the Senate on his tax bill. Do you think Republicans should have the opportunity to offer their version of the tax cut extensions in the House?

Mr. Hoyer. Well, we haven't decided what we are going to do. I didn't see Senator Durbin's quote exactly on that point. But we will see, and we are discussing it. I know the Ways and Means Committee is discussing it with the Senate Financial Committee as to how we are going to proceed, and I am going to wait for those discussions before I get very deeply involved in that discussion on process of who is going to consider what, when?

Q I apologize for the repetition of this topic. But days are shortening, and the Democrats very well might not be in control of the House next year.

Mr. Hoyer. Next question.

Q I am trying to talk about all possible scenarios.

Mr. Hoyer. Some of us don't believe that is a possible scenario. But you can proceed.

Q Thank you. There are two statutes. D.C. just wants to be acknowledged in the --

Mr. Hoyer. Mark, that has been reported out of committee.

Q Right. But I want to know, you have until the first week in October, Mr. Leader. I understand that they want to put gun amendments on it. It won't be done by suspension. But let me try to be uncharacteristically succinct. Why not just move the bill and let Republicans or conservative Democrats vote against the idea that D.C. shouldn't have two statutes?

Mr. Hoyer. That is on our list to figure out what we can do and when we can do it, Mark.

Q Do you think you will do it before November?

Mr. Hoyer. What I said, it is on our list to be considered to get done. I am not going to predict before or after, but it is on our list?

Q Without getting into the D.C. part of this, can you talk a little bit about where we are electorally as we are in 40-some odd days out here? What is the -- and what are you hearing from the members when they came back? What was the temperature that you were taking? Are they optimistic? Are they worried?

Mr. Hoyer. Forget about what the temperature of the Members coming back is, although I have talked to Members obviously last night. I visited 11 States, some 20 districts over the last 3 weeks all over the country, East Coast, Midwest, South, West Coast, so I have got a pretty broad spectrum, as you would imagine, mostly in districts which

are tough. Not exclusively, but almost the overwhelming majority?

Members are up, Members are confident, Members are engaged in the issues. Members believe that the economy is showing progress. We have made substantial progress. I know you get tired of me hearing it, but I will repeat it ones again. The stock market closed at about 10-5 yesterday, it closed about 6500 shortly after we passed the Recovery Act, a couple weeks after we passed the Recovery Act. That is a 60 percent increase in the net value of people's investments in their stock market accounts, their retirement accounts. That is substantial progress. We have had four quarters of economic growth. As much as we would like, no. But four of economic growth as opposed to three decline.

Now, let me give you -- that is 12.4 percent down last two quarters and the first quarter which was inherited from the Bush administration and the last four quarters which 12.7 up. That is a real turnaround.

And so, you know, we have not gotten to where we need to be, and that is creating the kind of jobs that will replace the 8 million jobs that were lost under the economic program to which the Republicans want to return.

You know, my friend Mr. Cantor says, well, we don't want to look to the past. You look to the past to learn from the mistakes you made and try not to repeat them.

The American public were angry in 2006 and 2008 because they didn't think that the policies were working. And my view is, our Members are saying: Don't return to those policies you didn't like

in 2006 and 2008, and aren't working.

Q But aren't they mad at the policies of 2009 and 2010?

Mr. Hoyer. I think there is certainly some discomfort, but some of the items I mentioned, for instance, in the health care bill, are very popular with the American public. The Republicans want to repeal those, so the preexisting conditions would again come into play, caps would again come into play, and families might be facing bankruptcy. Seniors would not have that doughnut hole close which is causing a real problem, that 23, 24-year-olds would not have the availability if they couldn't find a job of staying on their parents policy so they are insured, so that families ultimately are not paying \$1,100 bucks of their premium dollar not for their health care but to pay the health care for uncompensated care for providers.

So the answer is, Americans are rightfully having a great deal of concern about where we are. We share that concern, and we need to continue to move forward to get us back to the place where we were in the 1990s where the economy was robust, growing, job creating, and deficit reducing.

Q Your colleague, Mr. Van Hollen, who is in charge of running all these congressional races, said this past week, quote, "if Republicans were to do something on the tax cut issue, if Republicans were to come back and say, hey, let's just do 1 year of the top 2 percent and permanent for the middle class, that would be something that obviously people would have to think about."

Is there any room for compromise on the Bush tax cuts? Could you

do some sort of compromise that Mr. Van Hollen mentioned of limiting the tax cut for the top 1 percent, not expire for a year or 2 down the road?

Mr. Hoyer. Look, the President has made it very clear, all of us have made it very clear, we are absolutely committed to making sure that middle-income people don't have their taxes increased by the Republican policy of phasing out the tax cuts that are now in place, the tax rates are now in place.

I will reiterate that. What we are dealing with is the Republican policy -- now, I didn't vote for it -- to phase out these tax cuts. They did that because they were playing budget games. And we continue to be committed to that.

You asked me a very reasonable question: Are we prepared to discuss alternatives? The answer to that question is, I am always, as you know, prepared to discuss alternatives so that we can move forward.

Now, Mr. Boehner made the mistake of a few short seconds of reasonableness which led the Wall Street Journal to say that he was maybe not appropriate to be the Speaker. So I am not sure where they are going to go, so I don't want to anticipate what they would or would not do. But, you know.

Q But you are open to it?

Mr. Hoyer. We made our position, I think, very clear as to what we think on that.

Q You are open to it, essentially, as a possibility. Not for

it, but it is not middle-class tax cuts or nothing?

Mr. Hoyer. You can ask it any way you want, and I am not going to get to where "it" is. What I am saying is -- and you know Steny Hoyer, I believe that the democratic process is a process of sitting down talking to one another and trying to come to consensus so we can move forward. Now, that does not mean that you take actions which you don't believe are appropriate. I don't want to explode the deficit. The deficit is a real concern to the American public. That is, you know, a real concern. And we need to have that in mind as we consider what we are going to do.

Q Mr. Hoyer, despite your list of the accomplishments that you see them, with the Democrats there seems to be a feeling abroad that that is not getting through that people still don't think that things are working, that they are concerned about both parties. There was some evidence people are saying about that last night. You have been out there. You have been on the ground. What, is the message getting through? Are you confident that, as you say on health care, on these other issues, people are listening to the Democrats' view and they are voting in accordance with that?

Mr. Hoyer. You know, in any severe economic downturn -- and you see this worldwide. You just don't see it here -- people become correctly frustrated about, A, and the recovery here because the downturn was so deep, the length of the recovery. We haven't come back as quickly as we have come back in the past. Americans are rightfully concerned about that.

Now, in terms of -- they are upset with all of us who are in office. Frankly, the polls show they are more upset with Republicans than they are with Democrats. It just so happens Democrats are in. It doesn't just so happen. The American people made a determination in 2006 and 2008 to make that happen. That was their decision. I personally think, of course, it will not shock you, it was a good decision. And we have moved in a direction to try to address the economy, try to address the concerns of the President that we talked about, and, frankly, address the deficit as well, which I think is a critical challenge to us.

And that is why we have the Deficit Commission, that is why we put statutory PAYGO back in place so you have to pay for things as opposed to simply, there was no pay for in Mr. McConnell's \$3.9 trillion bill.

Q Mr. Leader, there is no pay for in Mr. McConnell's \$3.9 trillion bill. Is there a pay for in the President's \$3.1 trillion bill?

Mr. Hoyer. It is 2 point. Which 3 point?

Q Well, when you take the President's tax plans and put the AMT in with it, that is about \$3.1 trillion.

Mr. Hoyer. If you put the AMT in it.

Q Are you saying you are going to repeal the AMT?

Mr. Hoyer. No. I didn't say that. Has the President proposed a bill that does both of those?

Q Well, in his budget. Yes, he has.

Mr. Hoyer. Well, a bill. The fact of the matter is, in the statutory PAYGO, as you recall, we specifically exempted the under \$250,000 working people's -- any increase in their taxes. That is going to have to be paid for. You are absolutely right on that. The fact of the matter is, when it was put in place, it was not paid for, which is one of the reasons -- and, as you may know on the AMT, I voted against the AMT if it wasn't paid for. So that is my position. Now, not necessarily everybody in the caucus shares that view, but in my view we need to pay for things and we need to get a handle on this deficit. And that will certainly be my focus. But, you know, for the Republic's concern about the deficit, Mr. McConnell has put out a \$3.9 trillion bill on the table, unpaid for, and we think that at some point in time we are going to call them on that and we have.

Q Mr. Leader, how does this distinction between Democrats and Republicans on tax cuts benefit politically vulnerable Democrats when so many of them seem to disagree with leadership in the White House?

Mr. Hoyer. Look, every Member needs to take their own position on this issue as to what they think is appropriate. Every member -- and I want to make a point. Understand that 100 percent of Americans will benefit by not having the taxes on the first \$250,000 of income increased. 100 percent of Americans who pay taxes will be advantaged by that policy. And that is our intent. And Members have to argue beyond that what their view is, but that is clearly our position.

Q What are you and the rest of the leadership telling those Democrats if they are sending you guys letters saying we support full

extension of the Bush tax cuts? What is your response to them?

Mr. Hoyer. Exactly what I just said. They are taking and they need to take the position they believe is in the best interests of the country?

Q So no efforts to turn them around on this, or at least to --

Mr. Hoyer. We are having discussions, you know that. We are having a lot of discussions on where we want to go. And as you know, I said on the Candy Crowley Show, personally, I want to see what the Senate can do. I mean, we pass a lot of things in the House. We have some almost 400 bills sitting in the Senate that 75 percent had 50 Republicans or more on them. No controversy. They are sitting there, we found out.

Another thing I want to talk about, I don't think I mentioned is one of the very important items on our agenda we hope on Thursday the Senate passes the Small Business Bill. Apparently they have the 61 votes, they have cloture, and we hope that they move forward with that and they will consider that. We think that is a very important piece of legislation to try to encourage lending institutions to give small businesses to grow their business and create jobs.

Q What do you and your staffer members take a stance -- what do you prefer on the upper bracket tax cuts? Do you want to see them extended?

Mr. Hoyer. No.

Q You would like to see them --

Mr. Hoyer. I have made my position very clear. I think that we

need to -- the President's position I think is the position that I think makes sense for working people for our economy and for the long-term concerns we have about the deficit?

Q Do you think, in one of those letters from Congressman Matheson and others they suggest using the savings that are already on the PAYGO score cards to pay for the extension of the new offsets. What do you think about that approach? Or do you think that new offsets would be needed for any temporary extension at the top?

Mr. Hoyer. Clearly, as I indicated in the statutory PAYGO issue, that was not provided a waiver; therefore, it would have to be paid for. And I think Congressman Matheson's suggestion is certainly an appropriate suggestion is it going to go that way. That is not the only alternative, but it is an alternative.

Q Mr. Castle's defeat --

Mr. Hoyer. This is the last question, and I have got to go.

Q I am wondering, as a leader who relates to the moderates in your own party, a lot of the moderate Democrats, Alan Boyd and others won their primaries, Castle lost in Delaware. I am wondering what you think about what that means for where moderate voters should go and where you think about the Republican Party is.

Mr. Hoyer. Well, the Republican Party is a very divided party at this point and a party that does not enjoy the support of broad spectrum of the people. The Tea Party clearly has rejected the Republican party leadership's suggestions, whether it is in Kentucky or Florida or in Nevada or Alaska or New York last night. I mean, I

could name a lot of others, but those five examples. I think there is a deep division within their party at this point in time. I don't know the party affiliations of the Tea Party. The Tea Party, my presumption is, represents both parties and independents, and I am sure that Members from both parties and independents in the Tea Party movement.

But I think the Republican party is a deeply divided party, and I think that is going to hurt them. And I think the election results -- I think New York 23 is a perfect example. Hoffman apparently is going to run as an independent again. He lost in the Republican primary. Notwithstanding that, he is going to run and Sarah Palin supported him in the last go-around. I don't know whether she will do that again, but Sarah Palin has been sort of in and out of Republican choices.

So, I think the bottom line, is they are a deeply divided party. For instance, two of their candidates for United States Senate, the Attorney General said the appearance -- Rand had, quote, condemned Medicare as socialism, denounced seatbelt and anti-smoking laws as nanny state paternalism, called for voluntary rather than mandatory accommodation of people with disabilities, and suggested using satellites to monitor America's borders for illegal immigrants.

Other than the last idea in terms of keeping our borders secure, I think the other four ideas are not supported by the American people.

Sharron Angle, quote: The idea of privatizing and getting out of Medicare and Social Security is not up for grabs. In other words,

she believes that is a good idea, making it clear that getting rid of Medicare and Social Security is a nonnegotiable issue for her. She wants to do that. Now, she is the Republican candidate for the United States Senate, and Paul is the Republican candidate for the United States Senate. You know, we will see what their campaign committees do and see whether or not that those that kind of thinking is what they want to adopt.

So it is not out of line to say one of the things they want to do when it is included in Mr. Ryan's budget is to partially privatize Social Security. Sharron Angle says it ought to be eliminated, but others say it ought to be partially privatized. I think it is not unfair for the American people to say, look, if I want to keep Social Security, I think it is good; if I want to keep Medicare, I think it is good, that they vote for the party, the Democrats, who have said they agree with those positions. Thank you all very much.

[Whereupon, at 11:34 a.m. the press conference was concluded.]